

ST. PETERS, Mo.--(BUSINESS WIRE)--Nov. 14, 2001--MEMC Electronic Materials, Inc. (NYSE: WFR) announced today that E.ON AG ("E.ON") and an investor group led by Texas Pacific Group ("TPG") have closed their previously announced transaction regarding the sale and purchase of E.ON's 72% ownership interest in MEMC and all of E.ON's outstanding loans to MEMC.

In addition, MEMC and TPG announced that they have completed a restructuring of the debt TPG acquired from E.ON, which significantly reduces MEMC's total debt, and that they have reached agreement on a new \$150 million revolving credit agreement being provided by TPG. Under the terms of the debt restructuring agreement, TPG has converted approximately \$860 million of previously outstanding debt acquired from E.ON into shares of the Company's newly issued Series A Cumulative Convertible Preferred Stock with a stated value of \$260 million and \$50 million in principal amount of the Company's newly issued senior subordinated secured notes with approximately 17 million detachable warrants. TPG will also retain 55 million Euro in principal amount of a note currently outstanding issued by the Company's Italian subsidiary. As a result of these transactions and subject to a vote of the MEMC stockholders, TPG will have the right to convert the Series A Cumulative Convertible Preferred Stock into approximately 116 million shares of newly issued MEMC common stock.

As a result of the purchase by TPG of E.ON's equity interest in MEMC, MEMC will revalue historical costs on the Company's balance sheet to reflect the cost basis of TPG, which is expected to significantly reduce the book value of the Company's fixed assets.

"This transaction is a turning point for MEMC. Much of our previous debt is gone, and we have significantly greater liquidity under our new revolving credit agreement," commented Klaus von Horde, MEMC's Chief Executive Officer. "This agreement provides us exceptional potential for growth, as we now have the financial strength to fully take advantage of the next semiconductor upturn. We can now continue our long-term fundamental strategies, focusing on providing technologically advanced products to our customers around the world."

"MEMC is now strongly positioned for the future," commented John Marren, Partner, Texas Pacific Group. "With the strategy, team, and financing in place to serve its global client base, the Company can continue to invest in new products and technologies."

About MEMC

MEMC is a leading worldwide producer of silicon wafers for the semiconductor industry. Silicon wafers are the fundamental building block from which almost all semiconductor devices are manufactured, such as are used in computers, mobile electronic devices, automobiles, and other consumer and industrial products. Headquartered in St. Peters, MO, MEMC operates manufacturing facilities directly or through joint ventures in every major semiconductor manufacturing region throughout the world, including Europe, Japan, Malaysia, South Korea, Taiwan and the United States.

About Texas Pacific Group

Texas Pacific Group, founded in 1993 and based in Fort Worth, TX, San Francisco, CA, and London, is a private investment partnership with capital of more than \$8 billion. The partnership has made investments in over 30 companies in a broad range of industries, including technology (Gemplus, Globespan, ON Semiconductor, Seagate), consumer products (Del Monte Foods, J. Crew, Punch Taverns), luxury goods (Bally, Ducati Motorcycles) and healthcare services (Oxford Health Plans, Magellan Health Services).